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Sectors in Developing Countries: SHIPPING
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Agenda item 3

[SHIPPING]

FOSTERING COMPETITIVE SHIPPING SERVICES (IMPACT OF PROGRESSIVE LIBERALIZATION ON THE DEVELOPMENT OF SHIPPING SERVICES)

Progressive liberalization and the development of shipping services in developing countries

Report by the UNCTAD secretariat

Corrigendum

Replace incomplete paragraph 70 with following text:

70. In the liner industry operational efficiency and competitiveness are significantly influenced by the operators' level of technological progress which is dependent on the employment of modern container ships, the ability to provide door-to-door services over large networks, the provision of EDI systems to communicate with customers and the exploitation of logistics and improved marketing techniques. In turn these factors are dependent on a line's capital endowments and expertise in logistics, marketing, etc. In the majority of cases, shipping lines of developing countries have less access to these technological advances than those of developed countries. Many fleets of developing countries still have a large component of break-bulk or multi-purpose vessels which they employ in mixed break-bulk/containerized operations, which are relatively inefficient and uncompetitive. Despite opportunities for cooperation between lines, this technological gap is not likely to be eliminated through joint ventures, consortia agreements, etc. In particular, as developing countries liberalize their shipping services, thus increasing market access, the incentive for foreign operators to cooperate with developing-country service suppliers tends to diminish. The alternatives left to these service suppliers may include the formation of regional joint ventures, finding a market niche over which they become dominant, etc.

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